

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

## FINAL EXAMINATION

**TRIMESTER 1, 2019/2020**

**BEN2074 – ENTREPRENEURSHIP**

(All Sections)

17 OCTOBER 2019

2.30 p.m. – 4.30 p.m.

(2 Hours)

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### INSTRUCTIONS TO STUDENTS

1. This question paper consists of **SEVEN (7)** pages excluding the cover page.
2. Answer all the questions.
3. Detach Appendix 1 and submit it together with the answer booklet
4. Marks are shown at the end of each question.

mission statement has a lot to do with moving forward and improving over time to accommodate this change. Our values are team-focused, performance driven as well as customer focused, as we believe this is the culture within the organization needed to succeed and achieve our vision. This is the foundation we build our people on, whom we find is the biggest factor that gives us our sustainable competitive advantage today.

**Q: Customers are increasingly expecting more than just good products and services, how important is sustainability in your operations?**

A: We believe it is important and corporations need to be responsible, taking into account sustainable practices when making decisions. We are supportive of government initiatives such as banning plastic straws and using biodegradable plastic bags. We were recently selected by the Department of Environment Malaysia as the main sponsor and representative for the food and beverage industry for Malaysia due to our compliance and effort to maintain environmental standards and sustainable practices in manufacturing as well.

**Q: With standards improving, how do you benchmark against the industry?**

A: Generally, we look towards similar chain brands as a comparison as well as the overall growth. As our vision is to be the leader, we always benchmark to the best and measure our growth yearly to see how much we have progressed. We are also very proud to be able to represent Malaysia at an international level where we have opened Secret Recipe in over 10 countries to date.

Source: <https://www.thestar.com.my/business/businessnews/2019/01/17/evolving-with-the-times/#dTxol4zIKjofS3Lm.99>

Based on the above case study about Secret Recipe, answer the questions below.

- a. It seems that Secret Recipe has its unique and strong value, which translates into a successful business venture. Complete the Value Proposition Canvas (VPC) Template (as attached in Appendix 1) for Secret Recipe by fill-in all the required components of VPC that underlines the fit between the value map and customer profile. (15 marks)
- b. Identify and explain **THREE (3)** internal growth strategies that has been practiced by Secret Recipe to maintain its business growth throughout the years (15 marks)
- c. Suggest **TWO (2)** potential threats to the Secret Recipe business growth. (10 marks)

[Total 40 Marks]

**(Continued...)**

b. Although there are many important things to consider when launching a new venture, nothing else matters if the product or service itself does not sell. Discuss one of the ways that entrepreneurs can perform to assess the likely product demand for the proposed product or service that they want to launch in the market.

(4 marks)

c. There are three different types of competitors that any entrepreneurs will have to face when they decided to launch their start-up. Choose and explain any **TWO (2)** of the challenges that will be faced by the entrepreneur in dealing with these types of competitors. Support your explanation with real-world examples.

(8 marks)

**[Total: 20 marks]**

#### **QUESTION 4**

a. In a practical world, some of the sections in the business plan is having more impact in term of the first impression towards the reader. Explain briefly the main reason why is the management team and company structure section of a business plan touted as one of the most critical sections in the business plan.

(3 marks)

b. Most legal disputes are the result of misunderstandings, sloppiness, or a simple lack of knowledge of the law. It is really important that any nascent start-ups establish practices and procedures to help avoid legal disputes. Discuss **THREE (3)** ways that can be implemented by the entrepreneurial ventures to avoid any future legal disputes.

(9 marks)

c. There are three common ways that can be used by the entrepreneurs to identify new business, product, or service opportunities namely [1] observing trends, [2] solving a problem and [3] finding gaps in the marketplace. Choose and explain **TWO (2)** of the ways and support your explanation by providing the real-world examples.

(8 marks)

**[Total: 20 marks]**

#### **QUESTION 5**

a. The new ventures have a high propensity to fail in the market. The high failure rates are due in part to what is known as the liability of newness, which refers to the fact that companies often flatter because the people who start them are not able to adjust quickly enough to their new roles and because the companies do not have a significant track record with outside buyers and sellers. Provides **TWO (2)** suitable suggestion for the newbies (start-up) to manage this situation.

(8 marks)

**Continued...**

b. Provide **FOUR (4)** rationales that push the firms to pursue growth and to increase their profitability and valuation?

(8 marks)

c. Explain the adverse selection and moral hazard?

(4 marks)

**[Total: 20 marks]**

**[Full: 100 marks]**

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